Office of the Governor State of Montana

BRIAN SCHWEITZER GOVERNOR



John Bohlinger Lt. Governor

May 12, 2011

The Honorable Linda McCulloch Secretary of State State Capitol Helena, MT 59620

Dear Secretary McCulloch:

I hereby deliver without signature Senate Bill No. 233 (SB 233), "AN ACT REVISING ENVIRONMENTAL IMPACT LAWS; REVISING STATUTES RELATED TO AN ENVIRONMENTAL IMPACT ANALYSIS AND AN ENVIRONMENTAL ASSESSMENT; PROVIDING DEFINITIONS; CLARIFYING THAT ALTERNATIVES INCLUDED IN AN ALTERNATIVES ANALYSIS ARE DISCRETIONARY; PROVIDING THAT THE SCOPE OF AN ENVIRONMENTAL REVIEW IS ONLY WITHIN MONTANA'S BORDERS; PROVIDING THE REMEDY FOR FAILURE BY AN AGENCY TO COMPLY WITH THE REQUIREMENTS OF THE MONTANA ENVIRONMENTAL POLICY ACT; REVISING THE ENVIRONMENTAL REVIEW FEE ASSESSMENT; AMENDING SECTIONS 75-1-102, 75-1-201, 75-1-203, 75-1-208, AND 75-1-220, MCA; AND PROVIDING EFFECTIVE DATES, AN APPLICABILITY DATE, AND A CONTINGENT TERMINATION DATE." In accordance with Article V, § 10(1) of the Montana Constitution, at the expiration of 10 days after its delivery to me by the Legislature, it shall become law.

MEPA has been a popular scapegoat for those whose development projects have failed in Montana. For many years it has been under assault by one industry or legislature after another, culminating in a 2001 amendment under Republican leadership fundamentally changing MEPA by making it "non-substantive," meaning that problems discovered through the MEPA process could no longer inform conditions or restrictions to be placed on a permit.

I believe that there is room for the improvement of MEPA under both current law and as amended by SB 233. The cumulative legislative changes to MEPA over the years have left a statute that is confusing and difficult to implement. I have let SB 233 go into law because I believe it may offer some minor clarity to MEPA, and I do not believe that it will fundamentally weaken environmental protections or citizens' involvement in state decisions. However, critics are correct in claiming that MEPA is convoluted and practically unworkable.

Moving forward, I believe MEPA can be rewritten in a way that will protect both public and private interests, and even enhance the public's role in major permitting decisions made by state agencies. Montana can again become a model for the nation in demonstrating how to clearly identify and disclose issues to the public ___

EQC January 12, 2012 Exhibit 7

STATE CAPITOL • P.O. Box 200801 • HELENA, MONTANA 59620 TELEPHONE: 406-444-3111 • FAX: 406-444-5529 • Website: ww

Hon. Linda McCulloch May 12, 2011 Page 2

lead to the best possible outcomes. Neither SB 233 nor any other recent revision has accomplished this for Montanans.

For these reasons, I am directing Mary Sexton, Director of the Department of Natural Resources and Conservation, Joe Maurier, Director of the Department of Fish, Wildlife, and Parks, and Richard Opper, Director of the Montana Department of Environmental Quality, to work together and with a broad spectrum of Montana citizens over the next eighteen months to take a comprehensive look at MEPA. I have charged the Directors with developing new MEPA legislation that remains true to its original purposes, but is simplified, understandable, and applicable to today's economic and social landscape.

The proposal will be presented to the 2013 Legislature for its consideration. I am optimistic that we can develop a new, more effective MEPA process that leads to good decision-making and involves the Montanan citizenry to the highest degree. I have stated before, and I continue to believe, that project development and protection of the environment in our great state are not mutually exclusive and that both are in the best interests of all Montanans.

Sincerely,

BRIAN SCHWETTZER

GOVERNOR

cc: Mary Sexton, Director, Department of Natural Resources and Conservation Joe Maurier, Director, Department of Fish, Wildlife, and Parks Richard Opper, Director, Department of Environmental Quality